GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:1704
ANSWERED ON:14.03.2002
DISPOSAL OF OBSOLETE COMPONENTS
ARUN KUMAR

Will the Minister of DEFENCE be pleased to state:

(a) whether Rifle Factory, Ishapore, is holding finished components worth Rs. 4.24 crores as on March, 1999 as per the CAG Report No. 7 of 2001 out of which four items of weapons have already become obsolete of the value of Rs. 133.66 lakhs and a committee was being constituted for the disposal of obsolete components;

(b) if so, whether the committee has been constituted;

(c) if so, the terms and reference thereof;

(d) the time by which the said committee is likely to submit its report;

(e) the reasons for the Rifle Factory, Ishapore being unable to dispose off finished components; and

(f) the measures taken to tone up the working of the Rifle Factory and the Ordnance Factory Board?

Answer

MINISTER OF DEFENCE (SHRI GEORGE FERNANDES)

(a) to (f): A Statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (f) OF LOK SABHA UNSTARRED QUESTION NO. 1704 14.3.2002

Rifle Factory, Ishapore (RFI) is holding inventory of finished components worth Rs. 4.24 crore out of which value of the obsolete components is Rs. 1.33 crore. The accumulation has occurred over the years due to change in ordering pattern, changed priorities of indentors and short closure of some of the indents. Compared to the outturn of approx. Rs. 250 crore, the accumulation of obsolete items is negligible. A committee was set up in December 2000 to find out ways of effective utilisation of the available finished components and to suggest the process for disposal of these components, if use of these components is not found feasible. The committee recommended that RFI may approach all the Ordnance Factories and the Ordnance Depots for gainful utilisation of the components followed by initiation of action for disposal of the components that are not required by other Ordnance Factories/Depots. The Rifle Factory, Ishapore and the Ordnance Factory Board are working as per expectations.